

REQUEST FOR COUNCIL ACTION

193
MEETING

DATE: 7/21/03

AGENDA SECTION: REPORTS & RECOMMENDATIONS	ORIGINATING DEPT: CITY ADMINISTRATOR	ITEM NO. F-1
ITEM DESCRIPTION: Development Assistance Agreement with Lumber One, Avon Inc.		PREPARED BY: T.SPAETH

A Development Assistance Agreement between the City of Rochester and Lumber One, Avon Inc. has been prepared for the construction of owner occupied single family dwellings on 19 lots located in the Villas of Valley Side Two, CIC 233 Subdivision. The Council approved establishment of a tax increment financing district in this subdivision. The major points within the Development Agreement are as follows:

Responsibilities of the Builder: The builder is responsible for the construction of 19 single family owner occupied homes on the 19 lots within the TIF district. Commencing of construction activities is to take place by May 1, 2004 and be substantially completed by August 1, 2006. The homes must be sold to an eligible homebuyer that meets both the "First Homes" eligibility requirements, along with the City's income eligibility requirements to ensure that the TIF district remains a "qualified" housing district.

City's Responsibility: The Council has agreed to provide a total of \$190,000 in assistance. The assistance is to be provided "up front", and by that I mean that the City will pay Lumber One, Avon Inc. \$ 10,000 / lot (total \$190,000) at the time that Lumber One sells the completed home to an eligible homebuyer.

COUNCIL ACTION REQUESTED:

Council authorization for the execution of a Development Assistance Agreement with Lumber One, Avon Inc. by the Mayor & City Clerk for the Villas of Valley Side Two, CIC 233 Subdivision (# 28-1) Tax Increment Financing project

**** Please note that a copy of the Development has not been included in the packet due to its length and the fact that it is essentially the same as previously approved "First Homes" TIF Development Agreements.**

COUNCIL ACTION: Motion by: _____ Second by: _____ to: _____

